

MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SEC  
 Form N-Q  
 September 28, 2004

UNITED STATES  
 SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
 MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-07111

Morgan Stanley Insured California Municipal Securities  
 (Exact name of registrant as specified in charter)

1221 Avenue of the Americas, New York, New York 10020  
 (Address of principal executive offices) (Zip code)

Ronald E. Robison  
 1221 Avenue of the Americas, New York, New York 10020  
 (Name and address of agent for service)

Registrant's telephone number, including area code: 212-762-4000

Date of fiscal year end: October 31, 2004

Date of reporting period: July 31, 2004

ITEM 1. SCHEDULE OF INVESTMENTS.

The Trust's schedule of investments as of the close of the reporting period prepared pursuant to Rule 12-12 of Regulation S-X is as follows:

MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SECURITIES  
 PORTFOLIO OF INVESTMENTS JULY 31, 2004 (UNAUDITED)

PRINCIPAL AMOUNT IN THOUSANDS		COUPON RATE	MA
	CALIFORNIA TAX-EXEMPT MUNICIPAL BONDS (94.9%)		
	General Obligation (21.1%)		
\$3,000	California, Various Purpose Dtd 03/01/94 (FSA)	5.50%	03
2,000	Los Angeles Community College District, 2001 Ser A (MBIA)	5.00	06
1,030	Los Angeles, California, Ser A San Diego Unified School District,	5.00	09
1,000	2002 Ser D (FGIC)	5.25	07
1,000	2003 Ser E (FSA)	5.00	07
1,000	Tahoe Truckee Unified School District, District #1 2001 Refg (MBIA)	5.50	08
1,000	Upland School District, 2000 Ser 2001 B (FSA)	5.125	08



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	Water & Sewer Revenue (22.1%)			
1,500	California Department of Water Resources, Central Valley Ser Y (FGIC)	5.25		12
2,000	East Bay Municipal Utility District, Water Ser 2001 (MBIA)	5.00		06
1,000	Los Angeles, Wastewater System Revenue, Refg Ser 2003 B (FSA)	5.00		06
1,000	Metropolitan Waterworks District of Southern California 2003 Ser B-2 (FGIC)	5.00		10
1,700	Oxnard, California Financing Authority, Redwood Trunk Sewer & Headworks Ser 2004 A (FGIC)	5.00		06
2,000	Sacramento Financing Authority, Water & Capital Improvement 2001 Ser A (Ambac)	5.00		12
2,000	San Francisco Public Utilities Commission, Water Refg Ser A 2001 (FSA)	5.00		11
1,000	Yucaipa Valley, Water District System, Ser A (MBIA)	5.25		09
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12,200				
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	Other Revenue (1.9%)			
1,000	California State Economic Recovery, Ser A (MBIA)	5.00		07
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	Refunded (5.6%)			
2,000	Anaheim, Anaheim Memorial Hospital Assn COPs (Ambac) (ETM)	5.125		05
1,000	Puerto Rico Infrastructure Financing Authority, 2000 Ser A (ETM)	5.50		10
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3,000				
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51,160	TOTAL CALIFORNIA TAX-EXEMPT MUNICIPAL BONDS (Cost \$50,792,121)			
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	CALIFORNIA SHORT-TERM TAX-EXEMPT MUNICIPAL OBLIGATION (2.1%)			
1,200	Newport Beach, Hoag Memorial/Presbyterian Hospital Ser 1992 (Demand 08/02/04) (Cost \$1,200,000)	1.08*		10
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\$52,360	TOTAL INVESTMENTS (Cost \$51,992,121) (a)	97.0%		
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	OTHER ASSETS IN EXCESS OF LIABILITIES	3.0		
		-----		
	NET ASSETS	100.0%		
		=====		

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AMT Alternative Minimum Tax.

COPs Certificates of Participation.

ETM Escrowed to maturity.

\* Current coupon of variable rate demand obligation.

(a) The aggregate cost for federal income tax purposes approximates the aggregate cost for book purposes.

The aggregate gross and net unrealized appreciation is \$2,256,596.

Bond Insurance:

Ambac Ambac Assurance Corporation.

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FGIC Financial Guaranty Insurance Company.

FSA Financial Security Assurance Inc.

MBIA Municipal Bond Investors Assurance Corporation.

### ITEM 2. CONTROLS AND PROCEDURES.

(a) The Trust's principal executive officer and principal financial officer have concluded that the Trust's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the Trust's in this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, based upon such officers' evaluation of these controls and procedures as of a date within 90 days of the filing date of the report.

(b) There were no changes in the Trust's internal control over financial reporting that occurred during the registrant's fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Trust's internal control over financial reporting.

### ITEM 3. EXHIBITS.

(a) A separate certification for each principal executive officer and principal financial officer of the registrant are attached hereto.

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### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Morgan Stanley Insured California Municipal Securities

/s/ Ronald E. Robison  
Ronald E. Robison  
Principal Executive Officer  
September 20, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Ronald E. Robison  
Ronald E. Robison  
Principal Executive Officer  
September 20, 2004

/s/ Francis Smith  
Francis Smith  
Principal Financial Officer

September 20, 2004